

**THOMAS J. McKENNA (TJM 7109)**  
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Hearing Date:  
February 16, 2001  
10 am

**UNITED STATES BANKRUPTCY COURT**  
**SOUTHERN DISTRICT OF NEW YORK**

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In re

Chapter 11

**RANDALL'S ISLAND FAMILY GOLF**  
**CENTER, INC., et al**

**Case No. 00 B 41065 (SMB)**

Debtor.

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**OBJECTION OF MAHARAJ K. JALLA AND GIRJA R. JALLA TO CONFIRMATION**  
**OF SALE OF AND ASSUMPTION AND ASSIGNMENT OF LEASE**

MAHARAJ K. JALLA and GIRJA R. JALLA (the "Jallas"), by counsel, object to the proposed confirmation of sale, and assumption and assignment, of the unexpired lease between the Jallas, as landlord, and the Debtor, as tenant (the "Jalla Lease"), for the leased property located at 1805 Michael Faraday Drive, Reston, Virginia 20190 (the "Jalla Property"), and in support of this objection state as follows:

1. On July 23, 1993, the Reston Ice Forum entered into a lease with Reston Property Investors LP (the "RPILP Lease") for a skating facility located at 1800 Michael Faraday Drive, Reston, Virginia 20190 (the "Skating Facility").
2. On May 8, 1995, in a completely separate transaction, the Reston Ice Forum entered into the Jalla Lease for the Jalla Property. The Jalla Property is located near the Skating Facility and was leased for use as overflow parking.
3. Subsequently, both the RPILP Lease and the Jalla Lease were assigned to the Debtor.

4. On February 9, 2001, the Debtor conducted an auction (the “Auction”) of certain real and personal property, which sale included both the RIPLP Lease and the Jalla Lease. The Auction was required to be conducted in accordance with certain bidding procedures (the “Bidding Procedures”) previously approved by this Court.

5. The Bidding Procedures expressly provide that each landlord had the opportunity to bid for its lease, that each lease (defined as “Asset” in the Bidding Procedures) would be separately auctioned, and that each bid must separately allocate the amount being bid for each Asset.

6. Prior to the Auction, counsel for the Jallas requested and received oral confirmation from counsel for the Debtor of their understanding of the Bidding Procedures, that is, that they would be provided the opportunity to bid on their lease (i.e., the Jalla Lease) without being required also to bid on the RPILP Lease, either separately or jointly with their lease. This oral understanding was later confirmed in writing by a February 1, 2001 letter from counsel for the Jallas to counsel for the Debtor. A copy of the letter is attached hereto and incorporated herein as Exhibit “A.” Moreover, just prior to the Auction conducted on February 9, 2001, the Jallas and their counsel again confirmed with the Debtor’s counsel that they would be permitted to bid separately on their lease.

7. The Jallas, who qualified as Bidders in accordance with the Bidding Procedures, appeared at the Auction by their counsel prepared to bid for their lease. However, notwithstanding the Bidding Procedures, the Jallas were not given an opportunity to bid on their lease, and their lease was sold jointly with the RPILP Lease without affording an opportunity to the Jallas to purchase their lease. Had the Jallas known that their lease would be offered for sale in this fashion in contravention of the court-approved Bidding Procedures, the Jallas would have objected to the proposed Auction.

8. The failure to allow the Jallas to bid on their lease, and the failure to comply with the

court-approved Bidding Procedures, harmed the Jallas and, potentially, the bankruptcy estate.

9. Moreover, this Court's Order required that landlords be given pertinent information about the high bidder within 48 hours of the Auction. No such information has been provided to the Jallas with respect to the bid for their lease.

FOR THE FORGOING REASONS, the Jallas request that the Court deny confirmation of the Auction sale of the Jalla Lease and deny the Debtor's request to assume and assign the Jalla Lease.

**MAHARAJ K. JALLA**  
**GIRJA R. JALLA**  
By counsel

/s/ Thomas J. McKenna  
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**Thomas J. McKenna (TJM 7109)**  
**Counsel for the Jallas**  
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing Objection was sent by courier and faxed this 14th day of February, 2001, to:

Jonathan L. Flaxer, Esquire, Counsel for Debtor,  
Golenbock, Eiseman, Assor & Bell  
437 Madison Avenue  
New York, NY 10022  
Fax (212) 907-0777

Morgan, Lewis & Bockius  
101 Park Avenue  
New York, NY 10178  
Fax (212) 309-6273

Berlack, Israels & Liberman  
120 W. 45<sup>th</sup> Street  
New York, NY 10036  
Fax (212) 704-0196

and sent by overnight and faxed to:

Keen Consultants  
60 Cutter Mill Road, Suite 407  
Great Neck, NY 11021  
Fax (516) 482-5764

Family Golf Centers, Inc.  
538 Broadhollow Road, Suite 410E  
Melville, NY 11747  
Fax (631) 694-1935

/s/ Thomas J. McKenna  
**THOMAS J. McKENNA (TJM 7109)**

